

further, since the HCPM is not complete, a more detailed analysis would have been premature. Nonetheless, these deviations and others underscore the potential inaccuracy of the models, especially for providing cost estimates for smaller areas.

These variations, like the others described above, remind us that engineering judgment regarding assumed inputs and algorithms figures prominently into the results. Given how different the results are, I believe regulators should seriously question whether it is appropriate to base pricing decisions on any proxy model because doing so could force the ILECs and others to set their prices based not on their actual forward looking costs, but on costs produced by models that do not reflect sound engineering design.

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not resolve from the documentation provided. Furthermore, this implies that it will be difficult to try to fully integrate the models with each other, if they in fact use similar terms on different ways or handle the same inputs in different fashions. Finally, it emphasizes how important it is to use accurate input values.

Harold Ware  
Harold Ware

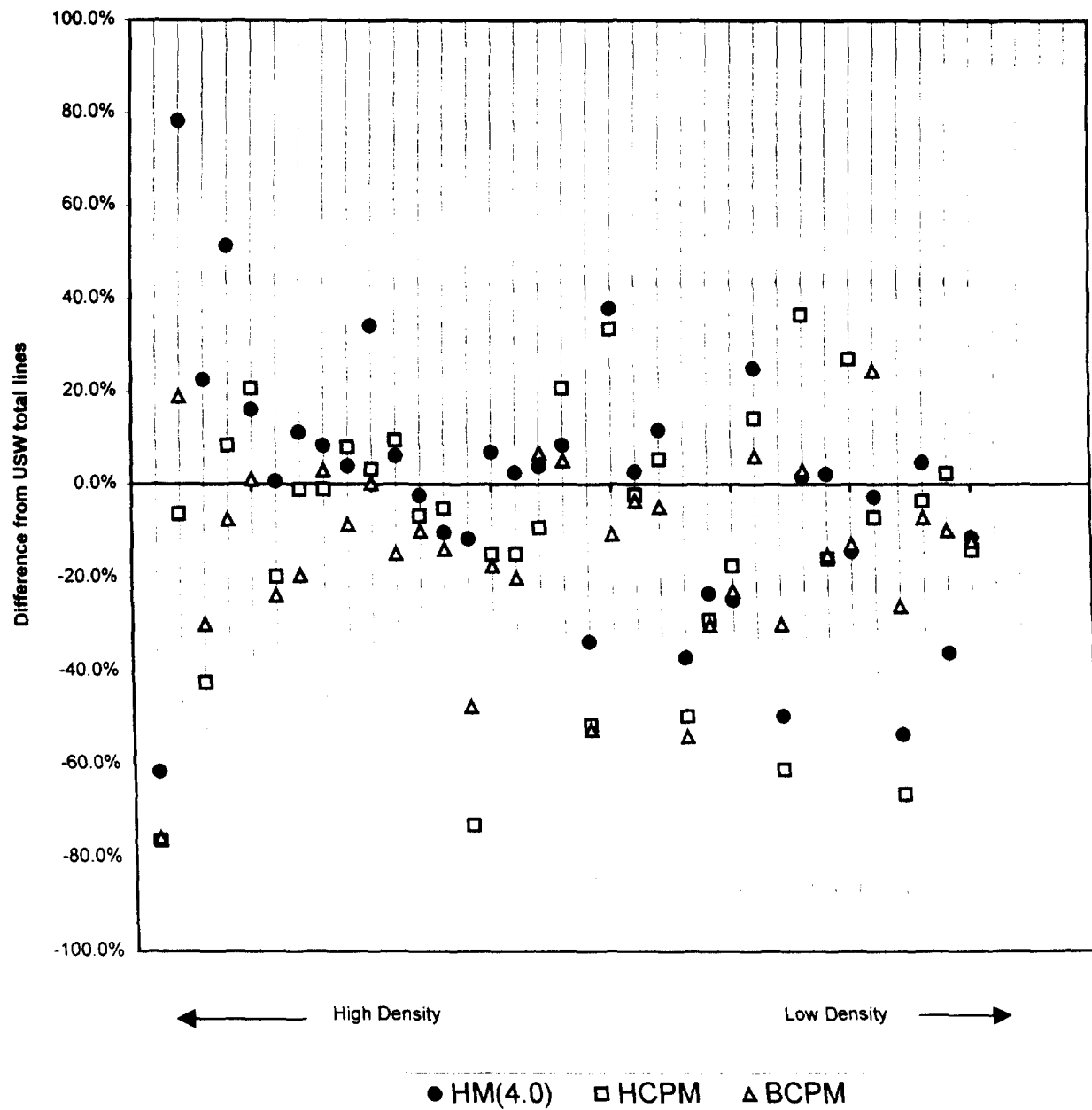
Subscribed and sworn before me this 25<sup>th</sup> day of November 1997.

Rita Satenstein  
Notary Public

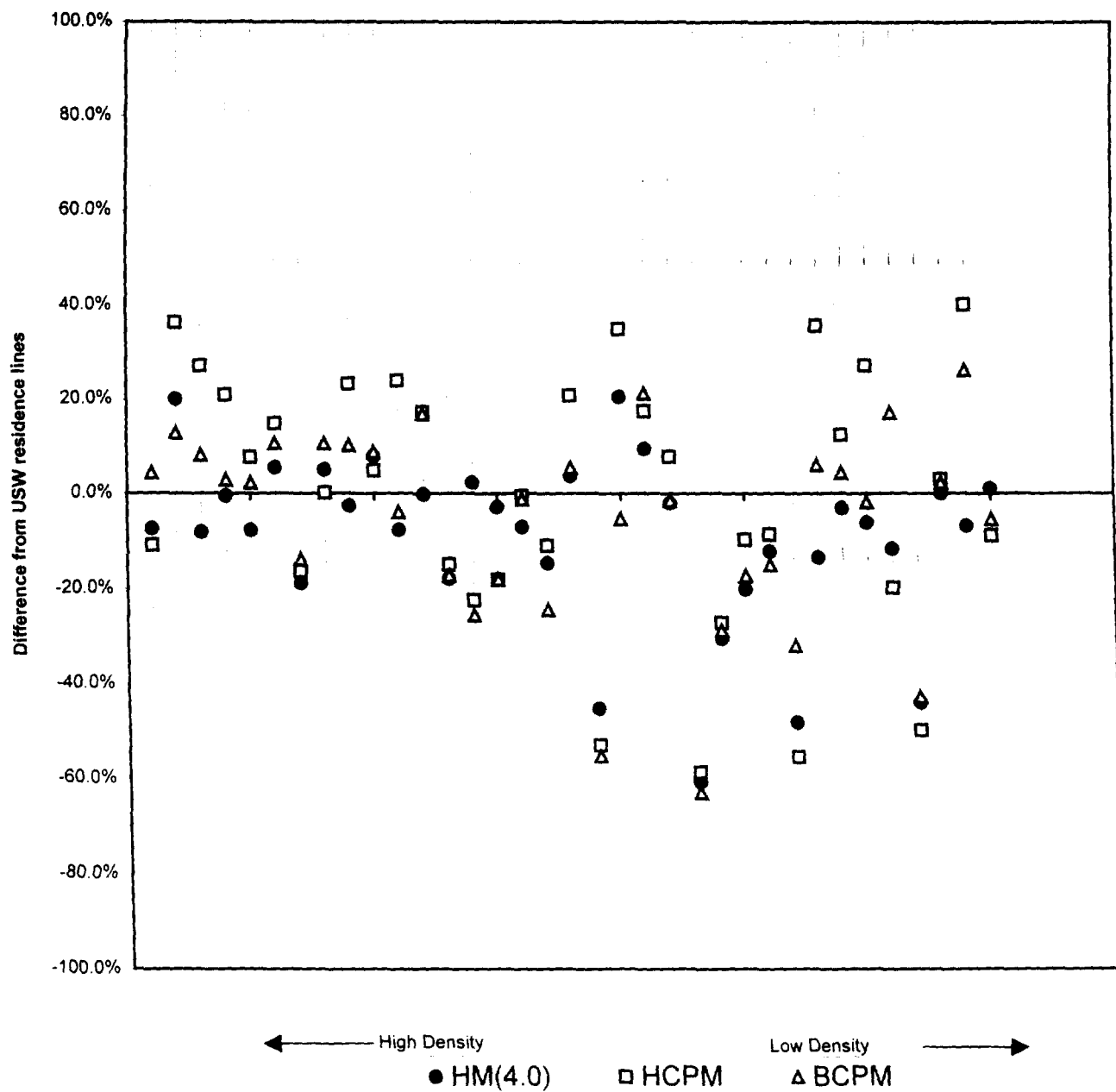
My commission expires: 8/15/98

**RITA SATENSTEIN**  
Notary Public, State of New York  
No. 4938855  
Qualified in Westchester County  
Commission Expires 8/15/98

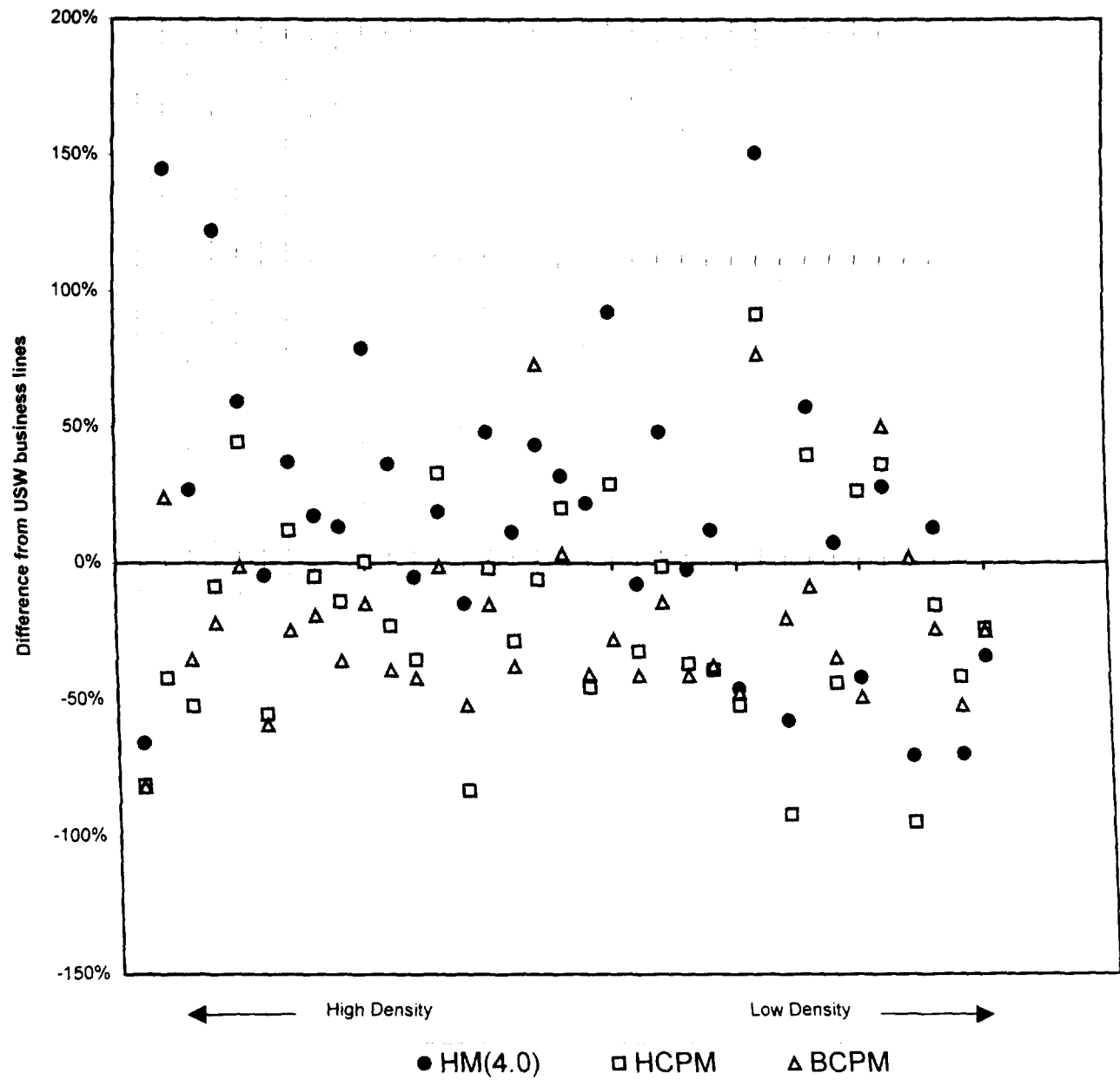
Percent Difference from USWest Total Line Count by Wire Center



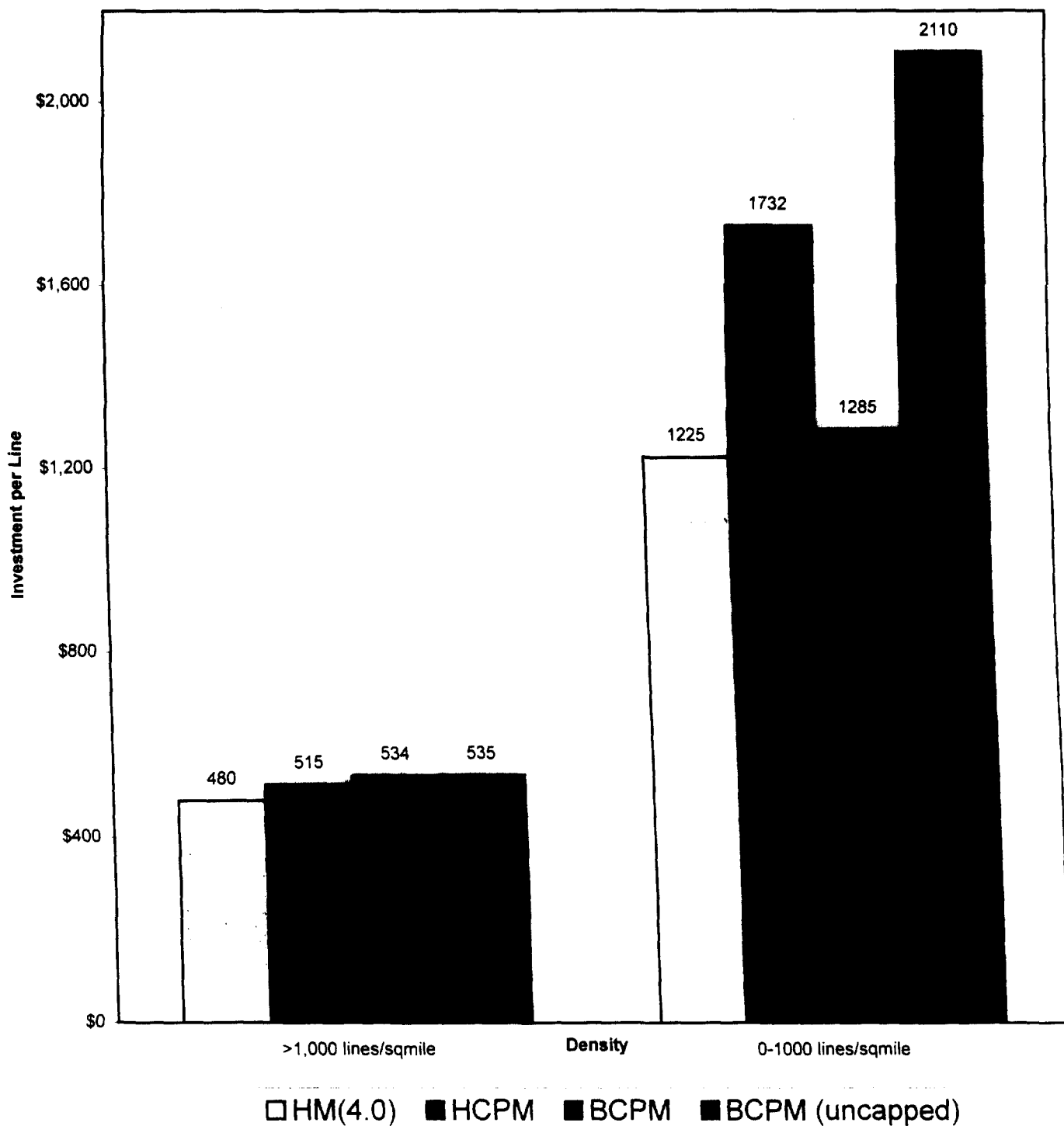
Percent Difference from USWest Residence Line Count by Wire Center



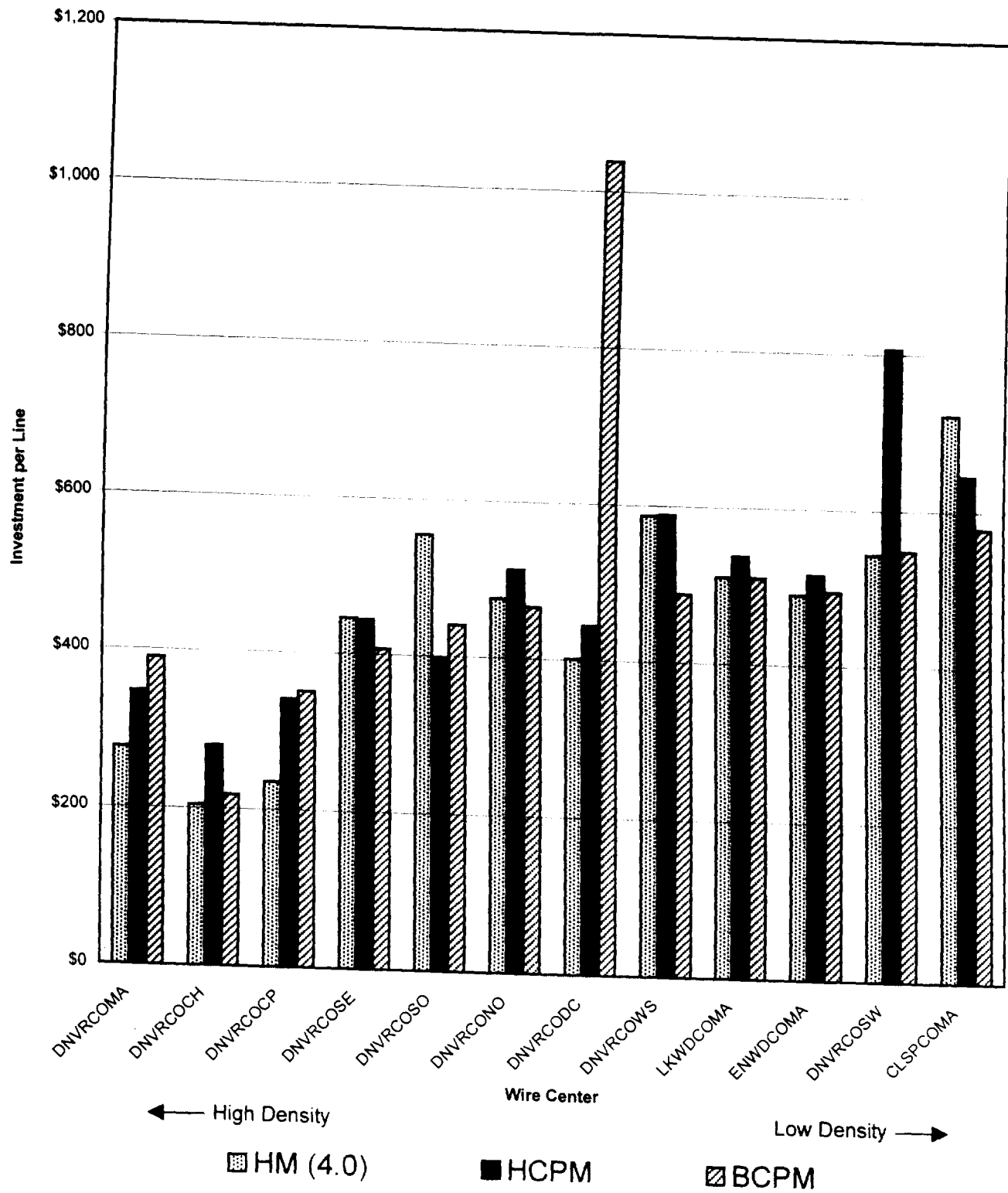
Percent Difference from USWest Business Line Count by Wire Center

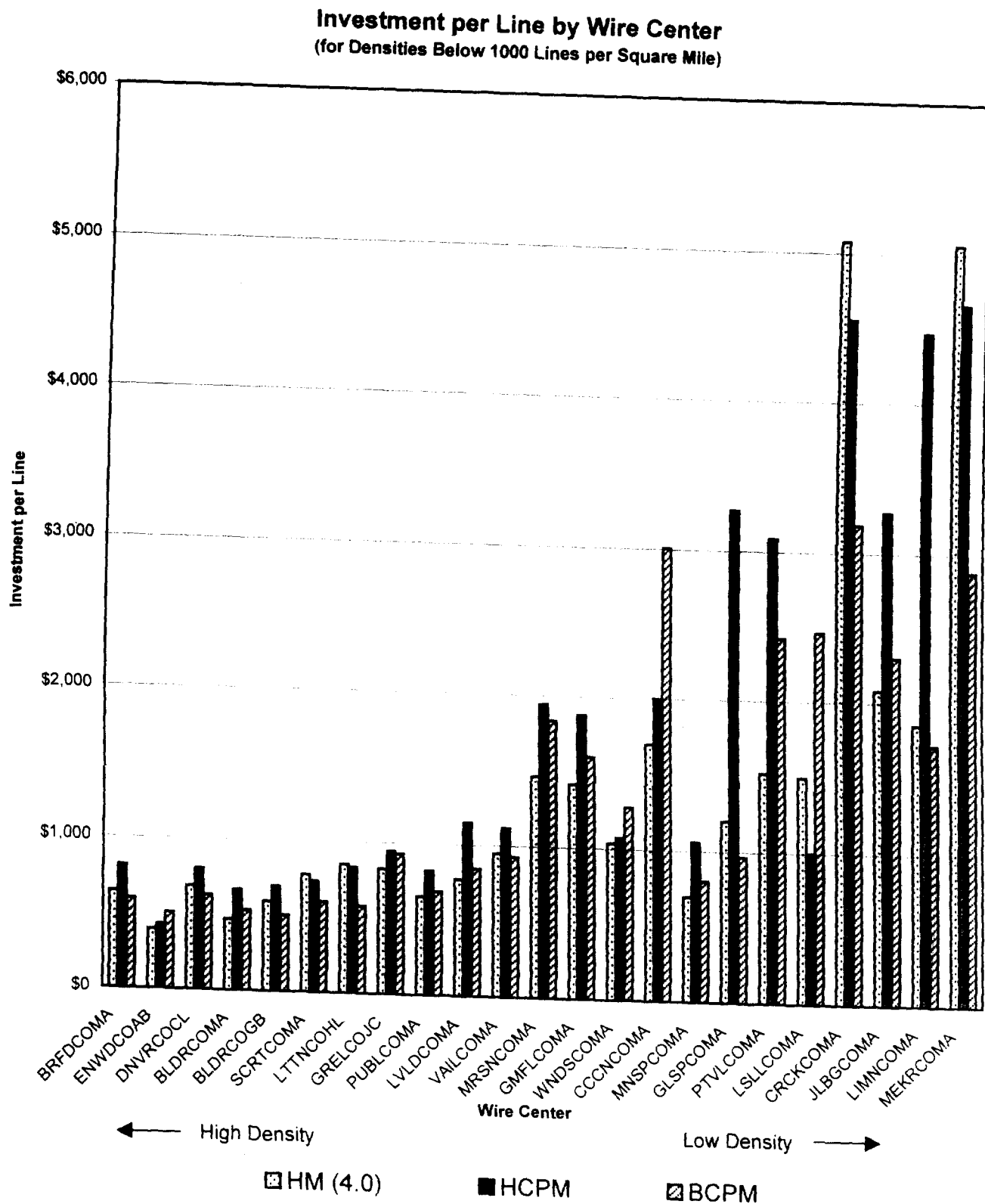


**Weighted Average Loop Investment Per Line by Density Group**



**Investment Per Line by Wire Center**  
(for Densities Above 1,000 Lines per Square Mile)







## Cost Proxy Models

### Comparison of Line Counts for selected Wire Centers in COLORADO

| WC       | US West | HCPM   | BCPM 2.5 | HM 4.0  |
|----------|---------|--------|----------|---------|
| AGLRCOMA | 510     | 489    | 500      | 101     |
| BLDRCOMA | 79,006  | 67,182 | 63,156   | 80,969  |
| CLHNCOMA | 984     | 1,512  | 879      | 1,420   |
| CRDLCOMA | 6,812   | 6,078  | 5,392    | 8,093   |
| DNVRCOEA | 89,112  | 75,618 | 89,440   | 126,236 |
| EATNCOMA | 2,372   | 1,894  | 1,879    | 2,234   |
| FRSCCOMA | 4,344   | 2,753  | 1,235    | 42      |
| GRTWCOMA | 1,558   | 1,543  | 955      | 462     |
| KIOWCOMA | 924     | 686    | 647      | 672     |
| LTTNCOHL | 23,878  | 11,555 | 11,303   | 15,822  |
| NDLDCOMA | 2,341   | 1,622  | 1,488    | 1,345   |
| PTVLCOMA | 1,353   | 1,720  | 1,179    | 1,158   |
| STNGCOMA | 10,552  | 10,369 | 10,117   | 10,953  |
| WDPKCOMA | 7,959   | 6,162  | 7,787    | 8,230   |

#### Notes

**US West** numbers based on Data Request "USWC: Att: 1" filed with FCC.

**HCPM** numbers are result of FCC's Feedist program, run 11/10-13/97.

**BCPM 2.5** numbers are based on the version released on CD at the 11/6/97 workshop in Boston (where applicable capped numbers are used).

**HM 4.0** numbers are based on the model's default inputs.

Numbers in *italics* are calculated based on the other numbers for the Wire Center  
(HM Total Investment is Investment/# lines)

**Cost Proxy Models****Comparison of Total (Loop) Investment/Line  
for selected Wire Centers in COLORADO**

| WC       | HCPM    | BCPM 2.5 |         | HM 4.0   |
|----------|---------|----------|---------|----------|
|          |         | Uncapped | Capped  |          |
| AGLRCOMA | \$2,409 | \$9,900  | \$3,687 | \$26,072 |
| BLDRCOMA | \$666   | \$534    | \$528   | \$468    |
| CLHNCOMA | \$8,699 | \$8,634  | \$5,056 | \$3,336  |
| CRDLCOMA | \$1,840 | \$2,267  | \$1,716 | \$1,625  |
| DNVRCOE  | \$459   | \$480    | \$480   | \$500    |
| EATNCOMA | \$1,585 | \$1,572  | \$1,555 | \$1,993  |
| FRSCCOMA | \$541   | \$1,167  | \$839   | \$1,867  |
| GRTWCOMA | \$3,340 | \$4,754  | \$2,946 | \$3,597  |
| KIOWCOMA | \$9,264 | \$14,009 | \$5,858 | \$4,317  |
| LTTNCOHL | \$832   | \$577    | \$577   | \$851    |
| NDLDCOMA | \$2,925 | \$4,387  | \$3,438 | \$2,045  |
| PTVLCOMA | \$3,091 | \$2,903  | \$2,421 | \$1,522  |
| STNGCOMA | \$3,744 | \$2,671  | \$1,732 | \$1,256  |
| WDPKCOMA | \$2,579 | \$2,223  | \$1,948 | \$1,531  |

**Notes**

US West numbers based on Data Request "USWC: Att: 1" filed with FCC.

HCPM numbers are result of FCC's Feeddist program, run 11/10-13/97.

BCPM 2.5 numbers are based on the version released on CD at the 11/6/97 workshop in Boston.

HM 4.0 numbers are based on the model's default inputs.

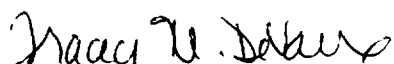
Total Investment/Line is based on the total investment produced by the NERA provided Total (Loop) Investment calculation divided by total number of lines.

\*Total Loop Invest/Ln represents the Total Investment reported by HCPM, the Loop Investment per Line from the BCPM models, and the total investment produced by the NERA provided total (loop) investment calculation divided by the total number of lines reported in HM. We assume the other models are reporting uncapped amounts.

Numbers in italics are calculated based on the other model provided numbers for the Wire Center.

CERTIFICATE OF SERVICE

I hereby certify that on this 26<sup>th</sup> day of November, 1997 a copy of the foregoing  
"Comments of Bell Atlantic on Hybrid Cost Proxy Model" was served by hand on the parties on  
the attached list.

  
\_\_\_\_\_  
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